

**United States Environmental Protection Agency
Criminal Investigation Division
Investigative Activity Report**

Case Number

0506-0026

Case Title:

Ferguson Enterprises Inc.

Reporting Office:

Detroit, MI, Resident Office

Subject of Report:

Interview of (b)(6), (b)(7)(C) Employee of the Detroit Housing Commission.

Activity Date:

April 17, 2009

Copies to:

Related Files:

Reporting Official and Date:

(b)(6), (b)(7)(C), (b)(6), (b)(7)(C) RAC

24-APR-2009, Signed by: (b)(6), (b)(6), RAC

Approving Official and Date:

(b)(6), (b)(7)(C), SAC

15-MAY-2009, Approved by: (b)(6), (b)(6) SAC

SYNOPSIS

04/17/2009 - U.S. EPA CID Special Agent (SA) (b)(6), (b)(7)(C) and U.S. HUD OIG SA (b)(6), (b)(7)(C) interviewed (b)(6), (b)(7)(C) employee of the Detroit Housing Commission (DHC), regarding (b) interactions and observations of the demolition of the Temple Towers building in January of 2006.

DETAILS

On April 17, 2009, U.S. EPA CID Special Agent (SA) (b)(6), (b)(7)(C) and U.S. HUD OIG SA (b)(6), (b)(7)(C) interviewed (b)(6), (b)(7)(C) employee of the Detroit Housing Commission (DHC), regarding (b) interactions and observations of the demolition of the Temple Towers building in January of 2006. Also present for most of the interview was (b)(6), (b)(7)(C) Executive Officer of the DHC. After being informed of the identity of the interviewing agents and the purpose of the interview, (b) provided the following information:

(b) explained that Temple Towers was originally a sixty four unit apartment building which the DHC had hoped to develop with a private investor. As a part of the development agreement some of the units would be made available for public housing. At one point a non profit entered into an agreement with DHC to develop the property but was unable to make the grant obligations. (b) was assigned to Temple Towers about six to seven months into the property going into receivership from the non profit. HUD then conducted a Recovery and Renovation review and determined the property was not suitable for a complete federally funded renovation. In 2003 or 2004 a request for proposals was issued for a private redevelopment project which would require a certain number of units be made available for public housing. HUD employees (b)(6), (b)(7)(C) and (b)(6), (b)(7)(C) were involved in the oversight of the Temple Towers property.

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(b)(6), and (b) explained that the DHC used to be an entity within the structure of the City of Detroit, but separated from this affiliation. As DHC became its own entity, the City of Detroit was forced to transfer ownership of certain properties to the DHC. This process took several years, and the Temple Towers property was a part of this ownership transfer. SA (b)(6), (b)(7)(C) pointed out that according to a complaint filed by the DHC in the Wayne County Circuit Court, the property was transferred to DHC on January 26, 2006, and an emergency demolition order was issued by the Detroit Building Safety & Engineering Department (BS&E) on January 31, 2006. (b)(6), and (b) thought that the timing of the two events was merely coincidental as the property had been listed for transfer for many months prior.

In January of 2006, (b) was asked by DHC Deputy Counsel (b)(6), (b)(7)(C) to go to the Temple Towers site and see if the City of Detroit's contractors were conducting demolition activities. (b) drove by the site on a Friday and (b) saw demolition equipment bearing the Ferguson Enterprises logo. The following Monday or Tuesday (b) returned to the site and observed demolition activities taking place, specifically the FEI employees knocking down walls of the building. (b) took photos of the activities and provided color copies to the agents during the interview. While at the site (b)(6), (b)(7)(C) of the BS&E approached (b)(6), car, knocking on the window. (b) asked (b)(6), why the city was demolishing the building without the authorization of DHC and HUD. (b)(6), told (b) that (b) would direct the contractor to cease all demolition activities. (b) explained to the agents that a court hearing over the demolition was taking place at the same time as (b) discussion with (b)(6), (b) thought that there was a second BS&E employee at the site but only spoke to (b)(6),

ATTACHMENT

DHCAssessment

(b)(6), DHCPHOTOS

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